



Maine State Planning Office 2004 Strategic Plan

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Executive Summary

Components of SPO's Strategic Plan

What is our legislated mandate?	<p>Enabling Legislation: Core Duties given to SPO by the Legislature:</p> <ol style="list-style-type: none"> 1. Assisting towns and regions 2. Assisting the Governor and Legislature by undertaking special studies, developing policy options, and conducting economic analyses including preparing economic forecasts 3. Coordinating the development of state policy that balances the growth of the State's economy with the conservation of its natural resources <p>↓</p> <p>Mission: To help build a sustainable future for Maine's businesses, residents, and communities, the State Planning Office: 1) advises the Governor on developing and implementing policy; 2) assists the Legislature with information and analyses; and 3) provides local and regional financial and technical assistance.</p> <p>↓</p>
What is the environment in which we operate?	<p>Issue Assessment: These issues affect SPO's ability to achieve its goal and objective:</p> <ul style="list-style-type: none"> • A loss of access to resources for traditional industries • A steady erosion of manufacturing jobs • An aging population/workforce • A deterioration of community character from development sprawl • A high tax burden <p>↓</p>
What do we want to accomplish?	<p>Goal: To be a catalyst for a resilient economy and a robust natural environment.</p> <p>↓</p> <p>Objective: Improve Mainers' economic well-being with no further deterioration in the State's natural resources. We will measure this by:</p> <ol style="list-style-type: none"> 1. Outcome: Maine's per capita income will grow at a rate at or above that of the average for the New England region. 2. Outcome: We will see a measurable improvement in: <ul style="list-style-type: none"> • Water Quality of Lakes • Water Quality of Marine Areas • Acres of Conservation Land <p>↓</p>
How are we going to accomplish it?	<p>Program Strategy: Provide decision-makers with the information and options they need to develop sound environmental, economic, and planning policies.</p> <p>↓</p>
How do we know if we're successful?	<p>Performance Measures:</p> <ol style="list-style-type: none"> 1. Project Economic Trends with Accuracy 2. Balance Conservation and Development 3. Conserve Special Lands 4. Assist the Governor and Legislature 5. Enhance Maine's Service Center Communities 6. Assist Communities and Regions 7. Strengthen Community Service

Our Plan

This plan was prepared in accordance with 5 MRSA § §1710-P, sub-section 11. All state agencies are required to update their strategic plans biennially in the even-numbered year.

A strategic plan is a long-range document that provides focus for future action. The plan not only guides us in addressing key issues facing the State, it helps us prioritize choices for allocation of our resources. It lays the foundation for our performance budget. A strategic plan contains a mission, outcome-based goals and measurable objectives, program strategies, and performance measures. Because SPO has only one legislatively-funded program, it has only a single goal, objective, and program strategy, supported by a series of performance measures.

Our Four Core Duties

The State Planning Office has four core duties assigned to us by statute (5 MRSA § 3305):

- coordinate the development of the State's economy and energy resources with the conservation of its natural resources;
- provide technical assistance to the Governor and Legislature by undertaking special studies and plans and preparing policy alternatives;
- conduct continuing economic analysis, including economic forecasting; and
- provide technical assistance to towns and regions.

Legislative Oversight

The State and Local Government Committee provides legislative oversight of the State Planning Office. That committee plays an important role in developing SPO's strategic plan by helping to set priorities, ensuring our goals and objectives are consistent with legislative mandates, and monitoring performance measures. In addition, in spring 2002, the State and Local Government Committee reviewed SPO's efficacy and performance under the state Government Evaluation Act. The committee found SPO to be operating within its statutory authority.

SPO also reports regularly to other committees of the Maine Legislature dealing with a variety of natural resource issues.

Our Mission

SPO was established in 1968 as an agency of the Executive Department. It is responsible to the Governor, but is routinely called upon to assist the Legislature and other state agencies and departments. SPO's mission is:

To help build a sustainable future for Maine's businesses, residents, and communities, the State Planning Office: 1) advises the Governor on developing and implementing policy; 2) assists the Legislature with information and analyses; and 3) provides local and regional financial and technical assistance.

Our Values

Our staff is our most important resource. We will succeed only through the efforts of our people. How well we perform individually and collectively is a function of the beliefs and values that motivate our conduct. Our values are:

- We are customer-oriented
- We are guided by the highest standards of honor, personal integrity, and fortitude in all our activities
- We work as a team and advocate teamwork
- We empower teams to make decisions
- We strive for excellence in all we do
- We focus on the results of our actions

Our Performance Management System

One of the tenets of public accountability is that government achieves its stated purposes.

While traditional management systems (budgeting, financial management, auditing, and human resources management) focus on accounting — that is on inputs, controls, and processes — a performance management system focuses on accountability. An *accounting* system holds organizations responsible for doing things in prescribed ways. An *accountability* system holds them responsible for producing results.

In 1996, the Legislature directed state agencies to develop strategic plans that would enhance accountability to policy-makers and citizens.

Strategic plans lay out goals and objectives consistent with statutorily-defined responsibilities and measure whether or not state policy outcomes are being achieved. Strategic plans also form the basis for a performance-based system of budgeting that formulates budget proposals to achieve desired outcomes. Finally, strategic plans help staff focus on the organization's mission and ensure they understand their role in helping achieve it.

Performance is the common link that ties our systems together. Measuring performance expands the concept of “success” from the mere accomplishments of activities to that of delivering desired outcomes for our customers. Consistent performance measures are used throughout our processes of planning, budget formulation, and evaluation.

Our Customers' Considerations

We will fulfill our mission through the delivery of high quality products and services to our customers. SPO has numerous customer groups that regularly use our services. These include the Governor and his staff, legislators, municipal officials, regional planning councils, other state agencies, businesses, educators, private sector planning consultants, nonprofit organizations, and citizens.

In 2004, SPO surveyed state decision-makers concerned with natural resource matters (legislators, the Governor and his policy staff, commissioners and deputy commissioners, and members of task forces that SPO staffed) to determine their satisfaction with SPO's natural resource information and staff support. Results include:

- ✓ 67% said they have the *information they need* to make decisions concerning the conservation and development of Maine's natural resources
- ✓ 46% of policy makers said that *information provided by SPO helped* them when faced with decisions concerning the conservation and development of Maine's natural resources
- ✓ 81% of task force members rating of *SPO's services with regard to the task force* in which they participated as very good or excellent

Our customers and stakeholders have a number of concerns:

- Expectations about SPO's policy role differ. On one hand, we are looked to to provide leadership on major policy issues on behalf of the Governor; on the other hand, legislators and task force members demand unbiased information and staff support unrelated to any specific Administration's agenda.
- While SPO is a nonregulatory agency, it still provides assistance to communities to comply with various state laws and requirements. For example, comprehensive planning is voluntary, but if a town chooses to develop a plan, it must meet the standards in the state Growth Management Act. As a result, SPO's role to advocate and facilitate the achievement of state goals is not always fully understood.
- A common theme articulated by our customers is that SPO does not sufficiently communicate its services, expertise, and accomplishments.

Our Unique Role

The State's economy and resources — its land, water, and energy — cross political boundaries. Policies regarding them also cross bureaucratic boundaries; they are not the domain of any single agency or interest. Departments and agencies are focused (rightly so) on their statutorily-defined, often single-purpose duties. At times their interests conflict. At times the interests of one agency are not fully known to or appreciated by the other. Agencies tend to be program-driven and, in their commitment to fulfill their day-to-day responsibilities, they can be short-range in view, especially in periods of extreme budgetary limitations.

Recognition of the need for a coordinated, long-range view of state policies was one of the reasons SPO was established as an agency of the Executive Department, apart from mission-driven departments. The Legislature directs SPO to assist it, the Governor, and other state agencies with the development of economic, natural resource, energy, land use, and fiscal and regulatory policy; to identify issues and problems of long-term significance to the State; and to coordinate state policy

and its implementation on issues of interagency concern. More specifically, these policies are to integrate the development of the State's economy with the conservation of its natural resources.

Cross-cutting Issues

Coordination among multiple agencies, with at times conflicting statutory mandates, is a central feature of SPO's statutory duties. SPO provides the formal, legal structure to carry out many of the State's interagency efforts, including:

- ***Maine Coastal Program***: SPO administers this federally-funded partnership program that supports efforts to protect and manage Maine's coast and coastal resources, including initiatives such as monitoring swim beaches, supporting access to working waterfronts, restoring coastal habitats, and training volunteer shore stewards.
- ***Land and Water Resources Council***: SPO staffs this interagency, Cabinet-level council, comprised of the commissioners of the state economic development and natural resource departments, charged with advising the Governor, Legislature, and state agencies in the formulation of state policy regarding natural resources management.
- ***Energy Resources Council***: SPO staffs this interagency Cabinet-level council of eight state agencies established by the Maine Legislature to advise the Governor and Legislature in the formulation of energy policy.
- ***Revenue Forecasting Committee***: SPO is a member of and staff to this executive-legislative committee that projects state revenues for use by budgeters.
- ***Economic Forecasting Commission***: SPO staffs this independent commission that forecasts economic trends for use in making revenue forecasts.
- ***Maine Commission for Community Service***: SPO houses this federally-funded program that works to strengthen communities through volunteer efforts in areas such as environment, health care, education, and emergency response.
- ***Land for Maine's Future Program***: SPO staffs the board that administers the Land for Maine's Future program. LMF seeks to protect natural areas, recreational access, and working landscapes through land acquisition and other mechanisms.
- ***Governor's Steering Committee on Natural Resource-based Industries***: SPO staffs this public-private committee that oversees and monitors the implementation of the recommendations from the Blaine House Conference on Natural Resource-based Industries to strengthen Maine's resource-dependent industries.
- ***FERC hydropower coordination***: SPO coordinates state agencies' responses to the Federal Energy Regulatory Commission in hydropower licensing procedures.
- ***State comprehensive plan review***: SPO coordinates state agencies' review of local comprehensive plans to determine whether the local plans are consistent with the Growth Management Act. The growth management program touches on all aspects of state and local interest from social welfare issues, to environmental issues, to economic development issues, to transportation issues.

- ***Coordination of review of agency development projects in the floodplain.*** SPO reviews state and federally-funded projects and coordinates with other state agencies to reduce the potential impact of flooding on publicly-funded infrastructure.
- ***Coordination of state waste management policy:*** SPO periodically reviews state solid waste management policy (through a task force comprised of representatives interested in solid waste management policy) and reports its recommendations to the Governor and Legislature.
- ***Coordination of the development of the Governor's bond packages:*** SPO coordinates submission of agency bond proposals, evaluates need, and make recommendations on proposals to be included in the Governor's bond package.

Balancing Conservation and Development

Maine's economic goal is to create more stable, well-paying jobs. Yet creating new jobs often requires infrastructure and development that affect the quality of our land, water, wildlife, and air. These natural resources are vital to many industries (e.g. tourism, fisheries) and our quality of life. Our challenge is to develop state policies that stimulate and absorb economic growth without losing the environment that is one of Maine's chief attractions. A few examples in Maine include:

- the conflict over water between competing interests, but especially the one Downeast that pits sustaining wild Atlantic Salmon against safeguarding the richest blueberry terrain in the State –a driving force in the State's economy;
- the relicensing of Maine's dams for hydropower, which sets the need for indigenous renewable energy against demand for multiple use of our rivers;
- the growing aquaculture industry that, at times, conflicts with tourism and recreational uses of Maine's bay waters;
- the pressure on the natural resources that visitors come to Maine to enjoy caused by too much tourism or tourism activities in areas that cannot support them;
- the conflicts caused by coastal development among the interests of seasonal homeowners, tourists, year-round residents, and commercial fishing and marine trades; and
- the need and desire to revitalize downtowns, many of which are located in floodprone areas.

Issues such as these are of paramount importance to promoting job growth while protecting the State's healthy natural resources. SPO provides the neutral ground to help facilitate these issues to make recommendations to the Governor and Legislature.

Our Responsibilities

The State Planning Office was established in 1968 (5 MRSA § 3305) within the Executive Department. It reports to the Governor but is routinely called upon to assist the Legislature and other state departments and agencies.

SPO has three primary responsibilities:

1. Provides objective information and analyses to decision-makers; especially economic data
2. Advises on policy development and implementation, especially as it relates to balancing the development and conservation of natural resources
3. Administers local and regional financial and technical assistance programs

Policy Development

SPO strives to be forward-looking; to analyze trends that have policy implications for the State and to develop innovative options for consideration by Maine's policymakers. SPO provides policy recommendations regarding tax policy, economic investments, solid waste disposal capacity, natural resources, and land use and sprawl issues, among others.

Research and Analyses

The Governor and Legislature need objective data and a long-term view of state issues. SPO's role is to be sufficiently detached from any one program or set of programs so that it can be the source of objective, long-range analyses and information. In its impartial role, SPO:

- Forecasts economic trends
- Tracks oil prices
- Tracks poverty indicators
- Tracks the State's capacity to manage solid waste
- Prepares plans and reports
- Conducts research and analyzes data

Staff Work

SPO provides staff assistance to advance the Governor's initiatives and to respond to legislative needs. For example, SPO:

- Organizes Blaine House conferences
- Provides staff support to executive and legislative task forces
- Helps prepare the Governor's bond package

Financial and Technical Assistance Programs

While planning and policy development is integral to what we do, seventy percent of our staff time is spent training local officials and volunteers, administering grants to third-parties, answering public inquiries for data and other information, or providing some other direct service. The Legislature has assigned specific programs to SPO to administer, including:

- AmeriCorps and other state and national community service programs
- Maine Coastal Program
- Maine Census Data Program
- Code Enforcement Officer Training/Certification Program
- Community Planning/Investment Program
- Floodplain Management Program
- Land for Maine's Future Program
- Waste Management/Recycling Program

Our Staff

As of January 2005, SPO had 55 positions organized as follows:

Figure 2: SPO Organization Chart

SPO relies on federal and dedicated revenue funds for nearly three-quarters of its staffing, as the following table shows:

Funding Source	Position Count	Percent of Total
General Fund	17	30%
Federal Funds (e.g. Coastal Zone Management, Corporation for National Service, EPA, FEMA)	27	48%
Special Revenues (e.g. waste management, plumbing fees)	12	22%
Total	56	100%

Figure 3: Breakdown of SPO Staff Positions by Funding Source

Our Funding

The State Planning Office has an annual General Fund budget of \$2.2 million which primarily funds SPO's policy and economics work and portions of our natural resources, land use, and management and support staff. The remainder of SPO's responsibilities is funded with federal or dedicated special revenues funds.

Federal funds support the Maine Coastal Program which, in turn, funds or partially funds land use, code officer training, and natural resources positions. The Maine Commission for Community Service and Floodplain Management Program are entirely federally-funded (in part, matched with General Fund dollars). Federal matching grants also fund SPO's work in tracking oil prices and monitoring swim beach water quality.

Several programs are supported by dedicated revenues including: the Waste Management and Recycling Program, which is funded from the Maine Solid Waste Management Fund; the Code Officer Training and Certification Program, which is partially funded with state plumbing fees; habitat restoration, which is funded from a grant from the Gulf Maine Council; and energy policy and planning, which is funded with federal funds granted to us from the Public Utilities Commission.

Our Environment

The Responsibilities of Planning

The responsibilities of planning are changing. For many years, the duties of planning were strictly in the realm of *civic planning*, which is concerned with how we use the land and its resources and how we finance and build public facilities to meet public needs. During the last ten years, a new branch of planning has been introduced — *strategic planning* — which is concerned with identifying the priorities of government and how governing can be carried out efficiently and effectively.

Civic Planning

The planning profession was established in America just over 100 years ago. The industrialization of America's cities had triggered enormous urban growth. It also triggered enormous problems. City streets and waterways were open sewers. Workers were warehoused in tenements in the shadows of factories, often without sunlight or ventilation. Infectious disease ruled the day. By the late 19th

century, civic leaders were demanding decent housing, basic sanitation systems, healthy water supplies, safe ways to move people and goods, and public parks and open space.

It was into this civic realm that American planning was born. It fell to planners — along with the closely aligned professions of civil engineering and architecture — to plan and create systems that would allow towns and cities to function and grow with due regard to the public’s health, safety, and well-being. Some of the tools of planning —comprehensive or master plans, zoning, and capital investment programs — evolved during the first half of the 20th century and remain prominent today.

Civic planning evolved during the second half of this century due to other forces:

- ◆ concern about the environment and demands for the protection of land, air, and water;
- ◆ the explosion of the use of the automobile and, with it, the leapfrogging of urban and suburban development into rural lands — a phenomenon often referred to as “sprawl;”
- ◆ the decline of urban centers and of affordable housing;
- ◆ the decline of traditional industries and the rise of a global economy, and the need for economic redevelopment based on these new realities; and
- ◆ the rise of new electronic technologies that are reshaping how we communicate, where we live, how we obtain energy, and how we earn livings.

The Maine State Planning Office was created in 1968 in the midst of these growing concerns. The focus for its first 20-25 years was almost exclusively in the realm of civic planning. And many of the demands upon the State Planning Office today — restructuring of the electrical industry, for example, or investing in coastal communities, or building the local capacity to manage growth — remain in the realm of civic planning.

Strategic Planning

A severe economic crisis at the beginning of the 1990s — the most severe since the Great Depression —forced government to think “strategically.” By this is meant:

- identifying the most important roles and priorities of government;
- setting measurable, achievable objectives so that taxpayers can see the results of their spending;
- encouraging the creative decision-making and involvement of all workers in setting and meeting the objectives; and
- bringing sound information and fiscal judgment to the decisions of government.

Whereas *civic planning* is outward looking —how to plan for and influence the forces that shape the State’s growth — *strategic planning* is inward looking — how to organize state government itself to carry out its mission as effectively as possible. Strategic planning is a duty of all agencies of government. But SPO has primary responsibility for several overarching aspects, including the State’s economic forecasting and revenue forecasting commissions; preparing the Governor’s bond packages, and coordinating cross-cutting state policy and programs..

Today, SPO works to balance both of these planning responsibilities –civic and strategic.

A Sustainable Future for Maine

SPO's mission is to help build a sustainable future for Maine. Several trends will drive SPO's efforts over the next 3-5 years. Not only will our resources be directed to address these issues, but SPO will continue to provide information to inform the policy discussion on these issues and help the Governor to develop and implement strategies to enhance the State's economy and environment.

A Loss of Access to Resources for Traditional Industries^{1,2}

Maine's traditional natural resource-based industries are under enormous pressure from a loss of access to the resources they need. To survive and prosper, it is essential for them to have effective and continuing access to the resources they use – be it open land for farming, forests for harvesting wood, shore frontage and docking facilities for commercial fisheries and aquaculture, or Maine's lakes, rivers, mountains, ocean, and forests for tourism and outdoor recreation. Development patterns and changing land ownership however have fragmented the land base and driven up property valuations. Farmland and working waterfronts are being converted to residential and passive commercial uses. Changes in forestland ownership (in some cases, major land parcels have changed ownership two or three times) generate unease about the continued availability of these lands for forest management and recreation.

Governor Baldacci hosted a Blaine House Conference on Natural Resource-based Industries in the fall of 2003 and appointed a permanent steering committee to monitor and oversee the implementation of 75 strategies designed to take advantage of the common strengths of these industries and to put them on a path toward sustainability.

A Steady Erosion of Manufacturing Jobs³

As in the rest of the U.S., the loss of Maine's traditional manufacturing jobs has accelerated. While the loss of manufacturing jobs is an old problem, it has become more critical in recent years. The number of manufacturing jobs in the State peaked in 1968 at 118,000 and, except for a brief respite in the late 1970s, has trended downward ever since. In 2003, the annual average manufacturing job count was 63,900, a 46% decline over a 35-year span. Most recently, the largest job losses have been in leather, paper, and computer/electronics manufacturing. The major causes of the declines in Maine and the nation appear to be technological improvements, such as better machinery, computers and robots, and lower wage rates in lesser developed countries. For the state as a whole, these job losses have been exceeded by gains in other sectors of the economy. However, losses and gains have not always occurred in the same regions and some communities have been disproportionately hit.

This Administration's focus is on protecting our mature industries and supporting our emerging ones. Building on our competitive strengths such as our sustainable forest practices and a magnificent coastline that has fostered a renowned fishing and boat-building industry, we can sustain jobs that have supported Mainers for generations. At the same time, we are investing in

¹ State Planning Office, *Maine's Natural Resource-based Industries: Indicators of Health*, 2004.

² Lachance, Laurie. *Finding Common Solutions*. State Planning Office, Augusta, ME, October 2003.

³ State Planning Office, *The Maine Economy: Year-end Review and Outlook*, 2003.

research, technology, and entrepreneurship to support knowledge-based and creative economies for the future.

An Aging Population/Workforce

Between 1990 and 2000, there was a statewide decline of 22% among the population of 20-34 year olds – and in some towns that figure was 40%. If the current trend continues, in twenty years Maine will have more people over the age of 65 than under the age of 20.⁴

The State's population is aging for a number of reasons: baby boomers are reaching retirement age, young people are moving out of Maine, and we have been successful in promoting the State as a retirement destination. This problem is not unique to Maine, but it has an impact on Maine's economy. The cost and type of government and social services will shift and community life may change. With an aging population and workforce, we will need to think anew about the organization of and training for work and to develop strategies to retain and attract young adults.

Governor Baldacci is working to align the State's workforce development efforts with economic development strategies. Efforts such as the *Creative Economy* and *REALIZEMaine* are underway to harness the talents of our young people and to increase opportunities for them in Maine, as well as for attracting to Maine the additional young and skilled workers we will need for the future.

A Deterioration of Community Character to Development Sprawl⁵

Development in Maine is shifting to suburban and rural areas, impacting the vibrancy of downtowns, traditional neighborhoods, coastal areas, and working lands.

We are losing much of what is good about Maine to suburban sprawl. And not just in southern Maine – it is happening in central, western, and coastal Maine, too, and even in areas of northern Maine around established centers. Among the impacts of sprawl are:

- The percent of Maine's population that lives in service center communities has declined to 44% of the State's population (down from 59% in 1960).
- Between 1970-1990, land development in Maine occurred at *four times the rate* that population increased.
- Between 1992-1997, Maine converted 33,500 rural acres *per year* to development; a rate four times that of the previous decade and greater than the cropland of nine Maine counties.
- More than half of Mainers *never* walk to services or shops from their homes.
- Nearly one of every two Mainers lives near the coast, while over six million people visit each year impacting the quality of our coastal environment.

And the cost to service shifting populations with new roads, schools, and emergency services is enormous. In the state budget, ***sprawl costs more than \$50 million per year*** in duplicative services (school buses, new schools, roads) and it costs municipalities millions more.⁶

⁴ REALIZEMaine *Press Summary*, <http://www.realizemaine.org/>, 2004

⁵ State Planning Office, *We Have A Choice*, Report to the Joint Standing Committee on Natural Resources to Evaluate Maine's Growth Management Program, February 2003

⁶ State Planning Office, *Cost of Sprawl*, 1999

Maine is working hard to address the negative consequences of sprawl. Governor Baldacci's sustainable development program includes downtown initiatives, efforts to protect working lands, incentives to foster efficient delivery of local and regional services, and strategies to guide growth towards areas where it is most suited.

A High Tax Burden⁷

All across Maine, citizens are concerned about taxes, especially local property taxes. In the past decade, property values have risen dramatically in many communities. The stock market boom in the late 1990s provided many buyers new resources with which to purchase properties and the stock market slump that began in 2001 led still others to turn to real estate as a safe investment option. Housing and prime properties, especially along the Maine coast, were viewed as undervalued and thus great investments. The strong demand drove up prices.

As towns revalue properties, using recent sales as their guide, valuations have increased for new and long-time owners alike. Some households have been adversely impacted by these increases.

A plethora of ideas and citizen referenda have surfaced recently, including tax caps, current use valuation, land banks, and a mandated state payment of a higher portion of local education costs. A citizen's referendum, passed in June 2003, requires the State to pay more of the cost of local school operations and, while voters rejected a tax cap referendum in November 2004, it was clear that they wanted reform.

In 2005, the Governor proposed and the Legislature enacted a tax relief package aimed at lowering Maine's property tax burden, especially for those who need it most. It provides a solid blueprint for lowering property taxes with a goal of bringing Maine to the middle of national rankings of state and local tax burden by 2015.

⁷ State Planning Office, *The Maine Economy: Year-end Review and Outlook*, 2003

Our Goal and Objective

The State Planning Office is directed by the Legislature to develop state policies that foster a balance between the development of our natural resources and our protection of them. SPO adopts a goal and objective consistent with our core statutory duties.

Measuring Progress

Measuring progress toward achieving this goal and objective can be done in two ways: 1) outcome measures and 2) program-specific performance measures. One set of measures looks at SPO's work from a global perspective and the other is based on the performance of SPO's day-day activities. One has a long-term horizon that assesses the effect of state policy and programs over 5-10 years; the other is short-term and fits within the State's biennial budget cycle. For one, SPO efforts merely contribute to the outcome along with many other influences; for the other SPO has considerably more influence over achieving a specific target.

The outcome measures are most useful when examined over a long period of time and when considering the other factors that influence them. Nevertheless, they are important to understand the office's legislated public purpose and to know whether or not our activities are aligned with that purpose.

Our Outcome Measures

SPO has chosen two outcome measures for its objective: 1) per capita income as an indicator of economic well-being and 2) the health of our natural resources as measured by: quality of lakes, quality of marine areas, and acres of conservation lands. While factors beyond our control affect per capita income and natural resource quality, we believe our efforts contribute in an important way and that by tracking these measures, we will obtain information about the affects of state policy.

Mainers' Economic Well-being

To assess the State's economic health, SPO uses personal income and per capita income.

Personal Income is the income received by persons from all sources (wage and salary disbursements, employer contributions to pension funds, dividends, personal interest income, social security, medical insurance, unemployment payments, etc.), less personal contributions for social insurance. *Per Capita Income* is total personal income divided by the total population.

Maine's per capita income has grown steadily since 1990, but it also continued its decade-long trend of lagging behind other U.S. and New England states. Maine's per capita income presently stands at 76% of New England. We would like to see Maine's per capita income will grow at a rate at or above that of the average for the New England region.

	Personal Income		Per Capita Income		% of Per Capita Income	
	Total	Annual	Per	Rank of	% of	% of

	Personal Income (mil.\$)	Growth	Capita Personal Income	50 States	U.S.	New Engl.
1990	\$21,402.0	4.4%	\$17,376	33	89.2%	76.5%
1991	\$21,681.0	1.3%	\$17,526	34	88.1%	76.3%
1992	\$22,606.0	4.3%	\$18,253	35	87.5%	75.5%
1993	\$23,155.8	2.4%	\$18,639	35	87.3%	75.3%
1994	\$24,091.8	4.0%	\$19,387	36	87.4%	75.5%
1995	\$25,044.3	4.0%	\$20,140	35	87.3%	75.1%
1996	\$26,483.8	5.7%	\$21,203	36	87.7%	75.2%
1997	\$27,829.8	5.1%	\$22,179	35	87.5%	74.7%
1998	\$29,709.8	6.8%	\$23,596	35	87.8%	74.5%
1999	\$31,016.3	4.4%	\$24,484	35	87.6%	73.9%
2000	\$33,173.3	7.0%	\$25,972	35	87.0%	71.9%
2001	\$35,102.3	5.8%	\$27,324	33	89.4%	73.2%
2002	\$36,295.5	3.4%	\$28,030	31	91.0%	74.9%
2003	\$37,781.5	4.1%	\$28,935	30	92.0%	76.1%

Figure 5: Maine's ranking among states on per capita income

Source: U.S. DOC, Bureau of Economic Analysis

Healthy Natural Resources

At the same time that personal economic health improves, we do not want to see deterioration in the State's natural resources. To track this, SPO relies on the Maine Economic Growth Council's assessment of three specific resources:

- Water Quality of Lakes
- Water Quality of Marine Areas
- Acres of Conservation Land

SPO chose these three indicators because much of our work to balance the protection and development of natural resources involves developing policies or implementing programs that affect these three specific resources.

According to the Maine Economic Growth Council's *Measures of Growth 2004*, these resources continue to improve. We would like to see these resources remain stable or further improve.

Our Performance Measures

For management and budget purposes, SPO has developed a series of program-specific performance measures that reflect what we do on a short-term basis. These are related to our work in the following areas:

1. **Project Economic Trends with Accuracy:** This measures the accuracy of our economic projections.
2. **Balance Conservation and Development:** This measures our effectiveness in assisting policymakers who are dealing with the conservation and development of Maine's natural resources.
3. **Conserve Special Lands:** The measures the number of acres of lands conserved through the Land for Maine's Future Program and is a reflection of the effectiveness of that program.
4. **Assist the Governor and Legislature:** This measures the number of special projects assigned to us by the Governor and Legislature and is a reflection of the quality of our work.
5. **Enhance Maine's Service Center Communities:** This measures the population of Maine's service center communities as compared to the rest of the State and is a reflection of the vitality of those service centers.
6. **Assist Communities and Regions:** This is a measure of the effectiveness of our technical assistance programs to help towns increase recycling, protect against flooding, and provide effective codes administration.
7. **Strengthen Community Service:** This is a measure of the number of Maine citizens who volunteer community service time and is a reflection of the effectiveness of the Maine Commission for Community Service.

